GOVERNMENT OF INDIA
PETROLEUM AND NATURAL GAS
LOK SABHA

UNSTARRED QUESTION NO:3926
ANSWERED ON:17.08.2000
SETTING UP OF A REVIEW COMMITTEE ON OIL PRODUCTION
CHINTAMAN NAVSHA WANAGA

Will the Minister of PETROLEUM AND NATURAL GAS be pleased to state:

(a) whether some fall in oil production has been anticipated in the current plan;

(b) if so, the details thereof and the steps proposed to be taken in this regard;

(c) whether the Government have set up a Review Committee to find out the reasons for short fall in the oil production;

(d) if so, the details thereof; and

(e) the time by which the report is likely to be made available?

Answer

Minister of State in the Ministry of Petroleum and Natural Gas (Shri Santosh Kumar Gangwar)

(a) and (b): During the three years of 9th Plan Period (1997-98 to 1999-2000) the crude oil production in the country has been 98.53 million metric tonnes as against the planned projection of 106.66 million metric tonnes.

Steps being taken to increase the production are as given hereunder:-

(i) Finding new hydrocarbon reserves through intensified exploration activities such as :

Exploration at greater depths in existing fields.
Extending exploration activities to deep waters and frontier areas.
Increased private participation in exploration activities through various rounds of bidding for exploration blocks and New Exploration Licensing Policy under which 22 Production Sharing Contracts were signed on 12th April, 2000.

(ii) Faster development of new discoveries.

(iii) Optimizing production from existing field through better reservoir management and use of advanced and cost effective technologies.

(c),(d) & (e): Government had set up a Committee of Experts under the Chairmanship of Dr. K. Narayanan in 1996; other members of the Committee being Shri J.S. Baijal, Maj. Gen.(Retd.) S.C.N. Jatar, Shri S.N. Talukdar and Dr. Avinash Chandra;to look, into the reasons for shortfall in production and to suggest remedial measures.
The terms of reference of the Committee include, inter alia, analysis of the causes of the fall in crude oil production, with particular reference to the sharp decline in production levels in the Western Offshore fields; whether the exploitation of the Western Offshore fields has been consistent with maintenance of reservoir health and maximisation of total oil recovery from these fields and to suggest measures for raising the level of crude oil production, etc.

The main recommendations of the Committee so far include:-

(i) Management of reservoir health

(ii) Enhancement of oil production both in the medium term and long term basis from Bombay High.

(iii) Undertaking of some pilot projects which may be extended to fields later on.

(iv) Closure of certain wells with high gas oil ratio.

(v) Organisational re-structuring of ONGC.

Annexure Refer to in the Replies to parts (c), (d) and (e) of the Unstarred Lok Sabha Question No. 3926 dated 17.8.2000

Terms of reference of Dr. Narayanan Committee set up to go into the causes of shortfalls in crude oil production during 1996-97-

(i) To analyse the causes of the fall in crude oil production from the original estimates for the year 1996-97, with particular reference to the sharp decline in production levels in the Western Offshore fields.

(ii) To suggest remedial measures, both short term as well as long term, for restoring the reservoir health of the Western Offshore fields and for significantly raising production levels.

(iii) To suggest measures for raising the level of crude oil production in other parts of the country, particularly the North Eastern Region.

(iv) To examine whether, and to what extent, the recommendations of the Dasgupta Committee concerning the Bombay High fields were implemented by ONGC and whether the deviations, if any, from such recommendations, were justified, having regard to the maintenance of reservoir health and optimum exploitation rate from these fields.

(v) To examine whether the exploitation of the Western Offshore fields has been consistent with maintenance of reservoir health and maximisation of total oil recovery from these fields.

(vi) To identify technological gaps, if any, which are coming in the way of a proper exploitation of the Western Offshore fields by ONGC and to suggest remedial measures, including the need for entering into strategic alliances with internationally reputed oil companies for inducting state of the art technology for this purpose.